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UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

16 The government, by and through its attorneys, Dennis K. Burke, United States
17 Attorney for the District of Arizona, and Jonathan B. Granoff, Assistant U.S. Attorney,
18 hereby respectfully submits a summary of the proposed testimony it intends to offer at the
19 sentencing hearing.

20 The government intends to call Special Agent Brian Watson of the Internal Revenue
21 Service. Agent Watson will provide summary testimony concerning a portion of the
22 mortgage fraud scheme perpetrated by the defendant. Relating to some of the real estate
23 transactions, the defendant, through his company, M.I.H., initially purchased the property at
24 a lower price. Thereafter, he would engage in a quick flip of the property, selling it to a
25 straw buyer at a much higher price. The defendant generally would pay or promise a future
26 payment to the straw buyer if the buyer purchased the property. The defendant, through his
company, would additionally receive cash back proceeds on each of these transactions.

1 Government's exhibit A, attached to this pleading, summarizes these transactions and the
2 cash back received by the defendant or his company for each of these deals. Exhibit B shows
3 a summary of this part of the fraud scheme relating to one of the properties, 5618 S. Forest
4 Avenue.

5 Additionally, Agent Watson will explain that in some of the real estate transactions
6 involved in this fraud scheme, the circumstantial evidence established that the defendant
7 would provide part of the down payments or cash to close the deal on behalf of the straw
8 buyer. In these transactions, the evidence establishes the defendant would provide these
9 down payments using the fraudulently obtained loan proceeds he had received from the same
10 loan that the straw buyer had applied for.

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12 Respectfully submitted this 4th day of November, 2010.

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DENNIS K. BURKE
United States Attorney
District of Arizona

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s/Jonathan B. Granoff
Jonathan B. Granoff
Assistant U.S. Attorney

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A copy of the foregoing has been served electronically or by other
means this 4th day of November, 2010, to:

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Andrea Matheson, Esq.

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